

MINUTES OF THE CHURCHILL COUNTY BOARD OF COUNTY COMMISSIONERS

155 No. Taylor Street, Suite 145
Fallon, Nevada
01 May 2008

CALL TO ORDER

The regular meeting of the Churchill County Board of Commissioners was called to order at 8:15 a.m. on the above date by Chairperson Washburn.

PRESENT: Gwen Washburn, Chairperson
Lynn Pearce, Commissioner
Norm Frey, Commissioner
Rusty Jardine, Deputy District Attorney
Alan Kalt, Comptroller
Kelly G. Helton, Clerk of the Board
Pamela D. Moore, Commission Secretary

ABSENT: Brad Goetsch, County Manager

Pledge of Allegiance

It was verified that the agenda for this meeting was posted in accordance with NRS 241.

ACTION ITEMS

AGENDA

Chairperson Washburn reported that the appointment at 9:10 a.m. for the renewal of the School District Bus Lease for the Parks and Recreation Department's SUMFUN Program has been removed and will be rescheduled at a later date.

Commissioner Frey made a motion to approve the Agenda as revised.

Commissioner Pearce seconded the motion, which carried by unanimous vote.

MINUTES

Commissioner Pearce made a motion to approve the Minutes of the regular meeting of April 16, 2008 as submitted. Commissioner Frey seconded the motion, which carried by unanimous vote.

PUBLIC COMMENTS

Chairperson Washburn inquired if there were any public comments on issues that were not listed on the agenda. There were none.

APPOINTMENTS

THE BOARD MAY REQUIRE THE PROVISION OF AN OATH OR AFFIRMATION BY ANY PERSON PROVIDING ORAL TESTIMONY AT A PUBLIC HEARING.

Consideration and possible action re: Steve Johnson's Advanced Placement Science Class will be providing an update to the Commissioners on the results of their Yucca Mountain Community Survey and the tour of the San Onofre Nuclear Power Plant.

Comptroller Kalt reported that Steve Johnson's Advanced Placement Chemistry class conducted a Yucca Mountain survey of the residents of Churchill County. They asked a series of questions. The results of the scientific survey will be presented to the board for their review. The class used a portion of the proceeds to tour a nuclear power plant in Southern California in the month of March. The trip included a marine biology experiment in the Dana Point Harbor. The students will present a PowerPoint presentation of their trip. Funds used to pay for the

community survey and the public information tour to San Onofre are paid from an oversight grant received in connection with the Yucca Mountain Project. No General Fund resources are used for these oversight activities.

Steve Johnson was present with 3 of his students: Rylan Stevens, Kevin Luiz and Rachel Mills. The group showed a Power Point slide presentation of the trip. Rachel Mills presented the survey portion of their presentation. They sampled 336 registered voters from Churchill County that were selected from a population of 12,500 random residents. Each student in the class surveyed 14 people by telephone and the results were compiled the data for the overall results. Their first question asked about familiarity with the Yucca Mountain project and whether they favor or oppose the federal government's efforts to store spent nuclear fuel in Nevada. Eighty nine percent were familiar with the site. It was interesting to her that 11% were not aware of the facility but continued to take the survey anyway. Forty percent said they favored somewhat the use of nuclear energy as one of the ways to provide electricity in the United States, with 25% indicating that they favored it strongly. The residents were asked to select from a list as to why no new nuclear generating facilities have been built in the U.S. since 1978. Most believed that factors were the availability of other energy sources, lack of permanent waste disposal, and misconceptions and attitudes regarding nuclear facilities. Many agreed that Yucca Mountain is a cornerstone of comprehensive spent fuel management strategy for this county. People may not be sure yet whether it is important or not. A little under 30% agreed somewhat that delay at Yucca Mountain is a key obstacle to the nation's energy future, including the development of more nuclear power plants and a little fewer than 25% agreed strongly. Only about 20% disagreed with that statement. Most people believe that people should continue with construction on Yucca Mountain. A little fewer than 30% agreed strongly with 30% agreeing somewhat that nuclear energy is crucial. When asked how confident the person was that radioactive waste from America's nuclear power plants will be transported safely to the Yucca Mountain disposal site, the majority of people were not confident. To determine if their opinion changed, the following statement was read to them: "Radioactive waste is transported in rugged vault-like containers under strict regulations using cautious procedures and in collaboration with state agencies. In the past 35 years, there have been more than 3,000 shipments of this radioactive waste, across a total of nearly 2 million miles with no radiation leaks. Yucca Mountain shipments will have security escorts, tracking systems and operate under reduced speeds." Most people indicated that the statement did not change their opinion but of those who said that it did, it made some of them less confident. That was a puzzling factor for their class because the figured that statement gave a good picture of how safe shipments would be but one of the things they talked about in class was that it might be that people are worried about terrorist attacks. As a class, they do not think it will be a factor because the shipments will be contained in very strong containers and they are in solid form so even if they were attacked by bomb, will not release radioactive waste into the air. When asked if they oppose building new nuclear power plants to reduce reliance on oil and coal, a good majority favored that and 90% felt that if the Yucca Mountain project is built that Nevada should receive compensation from the federal government. Respondents were also surveyed concerning their demographics in order to compare different groups within Churchill County. There were slightly more female than male but it was fairly similar and about 55% were Republicans.

Kevin Luiz said that because of this survey and Churchill County, the students were able to visit San Onofre Nuclear Facility and Dana Point Harbor. While there, they were able to go out on a ship called the *Explorer* by Ocean Institute with marine biologists and some

oceanographers. They were able to witness the ocean environment and conduct experiments on water clarity and soil to understand some of what they do as biologists and marine biologists. The presentation included pictures of the students on the boat and the Dana Point Harbor where they were able to study sea life. Everyone really enjoyed the opportunity to go whale and dolphin watching. That was a wonderful experience for them. They were able to see hundreds of dolphins.

Ryland Stevens talked about the San Onofre Nuclear Power Plant and showed pictures of the plant. He demonstrated a picture of the two active generators operating now. The third one is being taken apart now. A classmate was shown in a picture in the suits used when going inside to prevent radioactive exposure. He discussed the guard tower and how secure the plant is. This plant is gigantic and there are guard towers everywhere and they regularly conduct exercises to simulate emergencies. There are 8 people running the operating room at all times with people checking and monitoring at all times. He showed a picture of the fuel rod assembly in a miniature scale, which regulates the speed of the reaction inside the generator. He said that the students would like to thank the Board, Alan Kalt and Rex Massey for assisting them with this incredible learning experience.

Comptroller Kalt asked what the time frame was for when the survey was taken. Rachel said it was at the end of February or the beginning of March. He asked if the students thought the results might be different now with the increase in the cost of gas. Rachel said that is a possibility but doesn't know if it would have a significant impact because we have pretty conservative people here in Fallon but she thinks over time it will make a bigger difference. Kevin said they noticed that from when we first started hearing about Yucca Mountain that people were opposed to the facility that there has been a drastic change in opinions since the beginning. Even in California, more people favor nuclear power more so it appears that we are slowly making progress. Comptroller Kalt asked if the students felt safe when they were on tour. Kevin said they employ about 500 security guards so there is always a guard around you the whole time. Comptroller Kalt said he meant safe as far being around nuclear rods in the water generating nuclear energy so did the students feel intimidated that they could be exposed to radiation? Rylan said the people who are there are exposed to very a minimum amount of radiation and everyone wears a sort of key on their body and everyday they have to insert that into a slot to monitor the radiation levels of everyone in the site. Very rarely do they have to wash people down because of radiation to get rid of it. Kevin said they are very thorough in what they do to prevent any radiation exposure. Rachel said they also had to be careful about what they wore. In fact, one person was almost unable to go on the tour because her shoes weren't closed toed shoes. You have to wear leather shoes, long pants and shirts so she didn't feel threatened. Commissioner Frey asked the students why they were so tough on their host with such good questions that stumped him. Kevin said they were offered extra credit to stump the host. The day before they asked some questions of the marine biologists that they really couldn't answer also. Commissioner Frey said they did a good job and it was a lot of fun being there with the students. Commissioner Pearce said it was a pleasure to go on this trip. He said you'd think they would learn with this being the 3rd trip by Steve Johnson's students to send in a physicist but they haven't learned yet. He is always impressed and the students do such a great job of stumping the experts there. The students thanked them for joining them as they enjoyed having them along. Chairperson Washburn thanked the students for their presentation and said they are the ones who will make things happen.

Consideration and possible action re: Modification of job descriptions for Child Support Caseworker and Child Support Supervising Caseworker, Geof Stark, Human Resources Director.

Human Resources Director Stark reported that recently District Attorney Arthur Mallory was reviewing job assignments within the Child Support Division of the District Attorney's Office. Based upon this review, Mr. Mallory approached Human Resources Director Geof Stark regarding changes to the job descriptions within the Child Support Division. Mr. Mallory indicates there have been recent discussions to move child support hearings to a more administrative function, whereby attorneys would not need to be present at the hearings. As this change is contemplated, staff feels it would better serve the County to modify job descriptions to allow the caseworkers to be able to represent the State at these hearings. The modification indicates they can represent the State "as allowed by law".

Also, the County will soon be posting for a Child Support Supervising Caseworker position. Mr. Stark and Mr. Mallory reviewed the job description for this position and made an additional change. Under the Education section, it indicates education and/or certification in the legal field is desirable (but not required). This legal education is a definite advantage for someone who is the supervisor in the office. The County is not looking for an attorney, per se, but a legal background would serve the County well and is worth extra consideration in the selection process. Staff is not proposing any change to the pay range.

Arthur Mallory said one of the changes is good lawyering. For instance, CC Communications has a lawyer who works for them who is an attorney but who is not licensed to practice in Nevada. If you were to hire someone like that, you want to make sure there is no misunderstanding that they were being hired as a Child Support Supervising Caseworker and not as a Deputy District Attorney. By having this in the job description it shows them that this is part of whatever the description allows for a supervising caseworker. You, thereby, eliminate that problem ahead of time without there being a misunderstanding. That doesn't mean you discriminate against them, it just means that they wouldn't be under the misperception that they are doing something else. The other thing is that their managing caseworker voluntarily changed positions, which is a savings for the County now and she is now acting in the capacity of a regular caseworker. Instead of filling a caseworker position they will be filling a supervising caseworker position but they are not doing that until they change the description so there is a savings to the County during that period of time. Our child support office has also culled out a number of cases that were unproductive cases for the County which the State will now handle, because they were about to get the County dinged for penalties. Those have now been converted to state cases and some other counties are now following suit. They think all of those things will improve their service to the people in Churchill County without requiring any additional resources from the County.

Chairperson Washburn commented that she likes Geof's format where they can see the changes. Commissioners Pearce and Frey had no questions as they are housekeeping items.

Commissioner Frey made a motion to approve the changes in the class specifications for Child Support Caseworker and Child Support Supervising Caseworker, with the pay ranges for the positions to remain unchanged. Commissioner Pearce seconded the motion, which carried by unanimous vote.

Consideration and possible action re: Changes to job descriptions for lifeguards at the Churchill County Pool, Geof Stark, Human Resources Director.

Human Resources Director Stark reported that Aquatics Supervisor Kristy Bekiares approached him regarding changes to the job descriptions for the lifeguards at the County Pool. She wants to modify the job descriptions for the lifeguards because their duties have changed over the years, as have their required certifications. Based upon Ms. Bekiares' input, staff requests the elimination of the Swim Instructor Aide and Lifeguard I/II/III classifications. Very seldom are Swim Instructor Aides hired and it serves the Pool's interests better to have lifeguard-certified instructors teaching the classes. In place of those four classifications, staff proposes two new classifications: Lifeguard/Swim Instructor and Lead Lifeguard. The Lifeguard/Swim Instructor essentially takes the place of the Lifeguard I/II. It has the added requirement that the employees become certified as Water Safety Instructors within one year. The Lead Lifeguard replaces the Lifeguard III. However, this position will have additional responsibilities. Employees in this position will be required to provide training to other lifeguards and also lead and oversee some of the new programs the Pool is offering. In order to perform these additional duties they need to be certified as Lifeguard Instructors and in Lifeguard Management. They will also need to have at least twelve months of lifeguarding experience.

Staff proposes Lifeguards I and II be reclassified as Lifeguard/Swim Instructor. For Lifeguards I, this will be a straight-across reclassification, with no change in the pay range (they will remain at pay range 850L). For Lifeguards II, this will be a downward reclassification – they will be going to a lower pay range (from range 887L to 850L). Under Title 3 of the Churchill County Code, employees who are subject to a downward reclassification will be placed on the first step in the new range that does not represent a pay increase. This will impact four part-time employees, who will see a reduction in their pay of one cent per hour. Staff proposes Lifeguards III be reclassified to Lead Lifeguards – their pay range will remain the same (928L). Finally, staff has some modifications to the Senior Lifeguard job description. The certifications have been updated and the person now must be a Certified Pool Operator. The duties of training other lifeguards and leading programs have also been added. Because no one is being upwardly classified, these changes will have no fiscal impact. The County will soon be recruiting new staff for the upcoming season and staff is hopeful to move forward with these new class specifications.

Kristy Bekiares was present to answer any questions. She said this is an opportune time to do the reclassifications because the staff they have now are seniors in High School and will be moving on to college. They are only going to have about 3 continuing employment through next year so they will be bringing in a large amount of new employees and this makes it a good time to make the changes. Human Resources Director Stark added that the lead life guards will be able to offer more classes than they have had in the past such as CPR and life guarding classes. Commissioner Pearce said these changes seems clean and precise and look good.

Commissioner Pearce made a motion to approve the changes in the class specifications for Lifeguards at the County Pool, assigning Lifeguard/Swim Instructor to pay range 850L, Lead Lifeguard to pay range 928L, and eliminating the positions of Swim Instructor Aide, Lifeguard I, II, and III and eliminating pay ranges 773L and 887L. Commissioner Frey seconded the motion, which carried by unanimous vote.

Consideration and possible action re: Health, Dental, Vision, Life, and LTD Insurance Renewals for FY08-09, Geof Stark, Chair of the Insurance Committee.

Geof Stark, Chair of the Insurance Committee, reported that the Insurance Advisory Committee (IAC) has been working diligently on the insurance renewal for fiscal year 08-09 for

health, dental, vision, life, accidental death and dismemberment (AD&D), and long-term disability (LTD) insurances. As a quick recap, the IAC is composed of seven voting members, three from CC Communications and four from Churchill County. These members are nominated and voted upon by the employees from each entity.

CC Communications and Churchill County are covered as one group for the above-noted insurance. The group's claims experience on health insurance has not been good during the last several years, and this current year is no exception. The loss ratio for the last 12 months for CC Communications is 137.2% and the loss ratio for Churchill County for that same time period is 91.2% - leading to an overall loss ratio of 107.2%. (The loss ratio is determined by dividing the number of dollars paid out for claims by the number of dollars received for premiums. A 107.2% loss ratio means our insurance provider has paid out \$1.07 for every \$1.00 in premiums it has received. Insurance companies like to see the loss ratio in the 80% range for them to break even, after their administrative costs.)

The IAC received the first renewal bid from St. Mary's at its March 18, 2008 meeting. The proposed renewal was a 19.22% increase, for renewing with the current level of benefits. Our insurance consultants from ABD Insurance had already computed an "anticipated renewal rate" and the St. Mary's bid came in at an expected level. When the IAC requested the renewal from St. Mary's, the IAC also requested that St. Mary's give renewal rates with benefits modifications, as well as renewal quotes for each entity separate from the other (unblended rates). The unblended renewal rates came back at a 34.42% increase for CC Communications and a 13.83% increase for Churchill County (using the current level of benefits). Based upon these renewal rates, it became clear the group needed to explore benefits modifications. In discussions with ABD, they indicated that most of their clients had an 80/20 plan (employee pays 20% after deductible) – the County's current plan is a 90/10 plan (employee only pays 10% after deductible).

The IAC then asked ABD to solicit bids from other providers, reflecting the current schedule of benefits and also looking at plan modifications (which include going to an 80/20 plan, increasing office visit co-pays and looking at the prescription co-pays). Hometown Health declined to bid on our business because they felt they could not improve on St. Mary's' numbers. The only other bid received was from Anthem (Blue Cross/Blue Shield). After looking at Anthem's proposal, the IAC asked ABD to go back to St. Mary's one more time to see if they could improve upon their original renewal proposal.

The IAC met again on April 17, 2008 to discuss St. Mary's' latest renewal proposal and compare it with Anthem's proposal. After discussion, the IAC narrowed the choices down to one Anthem plan (that remained a 90/10 plan with a \$15 office visit co-pay) and one St. Mary's plan (that changed to an 80/20 plan with a \$20 office visit co-pay). The Anthem plan proposed a 10.56% increase, while St. Mary's' renewal proposed a 6.71% increase. After much discussion, the IAC approved (by a 5-2 vote) a recommendation to renew with St. Mary's with the benefits modifications. This change will result in an increase in monthly health insurance premiums for employees – from \$579.34/month in the current fiscal year to \$618.61/month in the upcoming fiscal year.

This was not an easy decision to reach. The IAC tried to balance fiscal responsibility with a desire to provide employees and retirees with the best benefits possible. Some County and CC Communications employees probably will not be satisfied with the perceived reduction in benefits. If the County Commissioners approve the renewal, Churchill County and CC Communications employees and retirees actually will return to the benefits level they had from

July of 2001 through June of 2003. When St. Mary's became the health insurance provider on July 1, 2003, benefits were increased to include a 90/10 plan and a lower office visit co-pay. As mentioned above, the IAC noted the discrepancy between the loss ratios of Churchill County and CC Communications. This discrepancy has been a trend over the last seven years. This is why the IAC asked St. Mary's to quote rates on an unblended basis. In the end, the IAC saw that splitting the group would, overall, cost the County more money. Therefore, the IAC decided to keep CC Communications and Churchill County as one group. Management from each of the entities will work together to determine a formula to ensure that the entity with poorer claims experience will "subsidize" the entity with a better claims experience.

The other insurance products were easier to determine. The dental insurance (with *The Guardian*) came in with a flat renewal – there will be no increase in premiums in the new fiscal year. The vision insurance has a 10% increase – premiums will increase from \$6.11/month per employee to \$6.72/month per employee (a fiscal year increase totaling \$2,100.84). The life and AD&D insurance shows an 8% increase – up from \$0.32 per \$1,000 of coverage to \$0.35 per \$1,000 of coverage (a fiscal year increase totaling \$2,698.20). Long term disability (for CC Communications employees only) has a 4.9% increase – up from \$0.41 per \$100 of covered weekly benefit to \$0.43 per \$100 of covered weekly benefit (a fiscal year increase totaling \$1,073.13). The IAC voted unanimously to recommend that the County Commissioners renew coverage with the current providers for dental, vision, life, AD&D and LTD, with no changes in benefits.

The total increase in all insurances is 6.43%. This results in an overall annual increase in premiums of approximately \$132,000. [As a point of reference, last fiscal year's increase was \$157,000 (with no benefits modifications.)] The above-noted numbers represent the combined fiscal impact for Churchill County and CC Communications. The numbers are based upon 267 participating employees. The employer currently pays \$631.63/month per person (because of LTD, that monthly amount is \$651.13/month per person for CC Communications). The new monthly amount in FY 07-08 will be \$672.26 per person (because of LTD, that monthly amount will be \$692.71/month per person for CC Communications). According to the Comptroller's Office, sufficient monies have been set aside in the FY 08-09 budget to pay for the projected increase in insurance premiums for County and CC Communications' employees.

Robert Adams, General Manager of CC Communications, said he appreciates the County working with them. The claims have been bad and with the economic condition, the insurance committee did a good job. It is important for management and the County and CC Communications to work together to arrive at an agreement to address the subsidization. He thinks it is only fair, especially when the claims experience is so out of whack. They look forward to working with County management staff. He thinks the subsidization should be addressed by management and not by the insurance committee. CC Communications has sent the County a proposal and are waiting to hear back from them on their response. They look forward to working with them.

Chairperson Washburn thanked the insurance committee, as always, for their work. The increase of 6.71% came out so much better than anticipated. She knows that a lot of time and effort was put into this and she thanked them for their efforts.

Commissioner Pearce said he is impressed with the committee's work every time we come up for a renewal and he is impressed with this increase. Obviously, they worked really hard and got us the best possible deal. He thanked them for their hard work on this matter.

Commissioner Frey thanked them for their hard work. It is apparent that they take it very seriously and they have to work with the plan themselves and take the hit themselves at a time when we are holding wages as tight as we can. They did an honorable job to keep the costs down and he thinks the company is a good one. Human Resources Director Stark said that he previously sent out an email blast to all employees and heard back from only a few but there were no negative comments. A couple of people emailed back to thank the committee for their work. He thinks our employees are aware of the financial situation the County is in and are willing to make changes to help in that way too.

Commissioner Frey made a motion to accept the recommendation from the Insurance Advisory Committee to renew health insurance coverage with St. Mary's, reflecting a 6.71% increase along with benefits modifications, for FY 08-09 for the employees and retirees of Churchill County and CC Communications. Commissioner Pearce seconded the motion, which carried by unanimous vote.

Commissioner Pearce made a motion to accept the recommendations from the Insurance Advisory Committee regarding a flat increase for dental insurance coverage, a 10% increase in vision coverage, an 8% increase in life and AD&D insurance coverage, and a 4.9% increase in LTD coverage for FY 08-09 for the employees and retirees of Churchill County and CC Communications. Commissioner Frey seconded the motion, which carried by unanimous vote.

Consideration and possible action re: Division Into Large Parcels Map, Guy Richard Luiz (TCID#08-006, Schurz Highway), Terri Pereira, Associate Planner.

Associate Planner Pereira reported that this property is along the Schurz Highway. The Luiz family would like to divide a 425.7-acre parcel in the A-10 land use district into two parcels—one 227.39 acres and one 198.3 acres. Access is provided from the Schurz Highway and Flying K Ranch Lane. There is an existing house on one parcel and a building permit for a house on the second parcel will be dependent upon a permit from the Building Department for the septic system. There are no infrastructure requirements and they have dedicated sufficient water rights for this map. The Planning Commissioners voted unanimously to recommend approval of this map.

Commissioner Frey made a motion to approve the Division Into Large Parcels Map for Guy Richard Luiz (TCID#08-006, Schurz Highway), subject to all provisions of the Churchill County Code, including water right dedication. Commissioner Pearce seconded the motion, which carried by unanimous vote.

Consideration and possible action re: Parcel Map, Richard Michael Lee (TCID#07-107, Highway 50), Terri Pereira, Associate Planner.

Associate Planner Pereira reported this property at 7300 Reno Highway is in the C-2 land use district on the north side of the highway. It is an odd parcel and was split this way to provide access to both parcels. He would like to split this 12.71 acre parcel into one 4 acre parcel and one 8.71 acre parcel. A large canal goes through the north end of the property, making the property on the other side of the canal inaccessible. If he wants to develop the north side of the property, he will need to work with BOR and TCID to build a crossing across the canal. Also, since it is commercial property, if he wants to put a commercial building on parcel A it will require an engineered septic system and he will need an encroachment permit from the

Department of Transportation. The Planning Commission voted unanimously to recommend approval of this map.

Commissioner Frey said he bets there is a real history on how a lot like this gets shaped. It is one of the more interestingly shaped lots that are difficult to deal with.

Commissioner Pearce said, given the small amount of highway frontage, we should note that we realize that NDOT will probably give only one encroachment permit for this and it will probably be on the border between the two parcels.

Commissioner Pearce made a motion to approve the parcel map for Richard Michael Lee (TCID#07-107, Highway 50), subject to all provisions of Churchill County Code, including water right dedication; access to the northern part of the parcels will be acquired by complying with Truckee Carson Irrigation District/BOR rules regarding crossing the N canal; and acquisition of an encroachment permit from Nevada Department of Transportation for access to Parcel A, with the note in the record that they will probably get only one encroachment permit for both parcels.

Commissioner Frey seconded the motion, which carried by unanimous vote.

Consideration and possible action re: Discuss and receive information about application and administration of Truckee Carson Irrigation District (TCID) General Assessment, Ernie Schank.

Ernie Schank, President of the TCID Board of Directors, said he is sure that the Board knows what brought this about with the breach in the Truckee Canal of January 5, 2008. The BOR, who owns the canal, is going to require TCID to do, among other things, many capital improvements. It is interesting that when you are a renter of a piece of property and capital improvements have to be made, usually the owner makes those improvements. So, this is an interesting situation. He is sure that one thing that has been brought to light to most all of us, including Fernley, is the economic importance of the canal to both communities and it will be even more so by the end of summer. TCID started tossing around ideas that they could do, such as coming to other government agencies, to try to illicit support for some monies so that they can go to Congress or other available outlets to get some seed money for matching funds because the long term fix that the BOR is proposing is an impermeable barrier for a distance of 11.7 miles through the Fernley area. That would be a wall of some kind of material like concrete or sheet piling that would be driven in the middle of the north bank, which is the fill bank, for that distance to prevent rodents from tunneling through and causing piping, which is what they suspected caused the breach in January, although we will never know. This impermeable barrier will cost in excess of \$40M according to BOR's cost estimates but TCID thinks from their preliminary work that it can be done for less but a lot of it depends what is required as far as depth etc.

In the process of trying to come up with a method of self-help so to speak, he recalled the fact that up until 1990 the district utilized an NRS statute given to the irrigation districts called the District General, which allows the 3 irrigation districts (Walker River, Pershing and TCID) to assess all acreage at a rate of \$1.50 per acre within that irrigation district. As you read the language you understand that those who wrote the law back in the early 1900s realized that the water that comes to these communities through the irrigation projects is important to everybody and not just those who own water rights. TCID talked about the possibility of reinstating this assessment so that everybody is involved. He talked with the County's attorney and Comptroller

before doing anything else and after a positive response from them, he went to the City of Fernley, TCID's board, City of Fallon and Lyon County. The reason that the District General was discontinued in 1990 was because a local water user claimed that it was taxation without representation so the legislature made changes so that everyone who owned a water right could vote, which previously a voter had to own 5 acres, and depending on the amount of acreage a person got a weighted vote. The legislature also changed the law allowing each of the boards in the irrigation districts to allow an at-large member who was not a water right holder. For some reason, which he doesn't know why, TCID didn't want to do that so they discontinued the use of that statute (NRS 539.480). The other 2 counties continued because they did not experience those kinds of problems. TCID has decided to do reinstate the District General by Resolution and by separate Resolution they are suggesting that committee be created called the Truckee Canal Protective and Safety Committee consisting of one representative from the TCID board as appointed by the President, a member of the City Council from Fallon and Fernley, and one Commissioner from Fallon and Fernley. They would ask that at least one public meeting per year be held for the disposition of funds collected through the District General which would be dedicated to that committee, which would have the ability to do a pay-as-you-go program to work on some of the capital improvements, to use the funds for matching funds, or to work together to do some bonding program to make the capital improvements that will be necessary to raise the ability of the canal to transport the water to it was designed to transport. Long term for this community and Fernley, that canal has to stay open. He has spoken to most of the board before about the fact that many people would like the canal to never be opened again and we are seeing some of those problems as we try to go from the 150 feet per second allowed for the past 6 weeks to get it up to the 350 feet per second, which is the level it will be allowed to be used at this year. Hopefully, we will be able to prevail and be able to see that increase this year. It will cause a drought here and in Fernley and it has already caused some damage to crops. The idea of this District General fund is a way to help ourselves because we know that we do not tend to get a lot of help from some of the others that should be helping us.

Chairperson Washburn said she is trying to interpret what he said about having an at-large member, which the TCID board rejected having years ago. She kind of remembers that now. She asked if this committee made up of a TCID member, Fallon and Fernley City Council members and Commissioners from Fallon and Fernley would take the place of the at-large member. Mr. Schank replied negatively—TCID would dedicate those funds collected by Resolution to that committee. The committee would be made up with elected officials who would have control of that money to receive public input. Commissioner Frey said that would answer the question of taxation without representation is the theory. Mr. Schank said that is what they believe. Chairperson Washburn asked how many dollars per year would this raise for the community. Mr. Schank said that they have had a hard time getting a handle on that figure. Estimation from some of the Churchill County folks and Comptroller Kalt who helped in that effort showed \$400,000 from Fallon could be collected. They are hoping that it would bring in annually half a million dollars or perhaps a little more but he can't give an exact figure at this time but that is a significant amount. He also wanted to mention 2 things that are going to be required before they allow us to raise the water up to the 350 level. They have to hire an predator eradication firm to patrol and keep the critters eradicated from the canal so part of these funds would come from this fund. The other thing is that they may require a full time engineer to oversee that canal. Those are some costs that this fund could help cover in addition to the capital improvements. Chairperson Washburn said at that rate this fee will be assessed for our

lifetimes and perhaps more. Mr. Schank said as far as he knows, TCID used the assessment from the time it was established for years and years so it isn't something that is new.

Karen Chandler said she was wondering if this assessment would be charged only for water righted acres or against the entire acreage. Mr. Schank replied that it will be assessed against all private property owned within the district. He didn't bring a map to show those lands but it would be \$1.50 per acre. Chairperson Washburn asked if there is a minimum on the size of a parcel. Mr. Schank said it would be \$1.50 per lot or acre if the property is less than 1 acre.

Mr. Schank added that they brought this forward at a Fernley council meeting, which was interesting because they thought there would be an outcry against it. However, people who live outside the district in Fernley have come forward to ask if there was some way to incorporate them as they think it is that important.

Herman G. Witte said the price sounds good and he is all for bringing it back. He said Mr. Schank has done a good job looking at what we can do. The monies that we bring in from this are going to go to that committee and Mr. Schank has already listed a couple things that will be done with the funds. He asked if there is a set goal for this. It seems like every time Mr. Schank gets with the government, they have different idea. Three times in 100+ years is what he gathers that an accident has occurred, which is a good record. He thinks that a cement ditch or barrier or whatever they come up with will have a hard time beating that record. Coming from California, their idea was the underground pipeline and forever fixing it and they are still fixing it. These people who want a permanent fix that will be guaranteed isn't there. So, he thinks that the ongoing money will help. The legal side of this is what bothers him but he is sure Mr. Schank has been beat to death with that. The lawyers are out to make a buck but there has got to be somewhere in there that there is fault with the people that developed the land and sold it. How will we stop that portion of it or is there a way to stop that? He doesn't think we can get the guarantees to get the water up where we need it unless we force that and he doesn't know how to do that. The other thing is that we have to do this and he doesn't usually agree with Mr. Schank but this time he does. This will upset some people that say they don't use the canal but the aquifer in this County relies on that canal. When we were running 24/7, 365 days per year, our wells were at 35 feet down and now we are finding it necessary to go to 100 feet and we're getting skunk water because our aquifer is not being recharged with that canal. Mr. Schank said he agrees with most of those things. The canal has breached a few more times than 3 but 3 of those times was when the canal was being operated by the U.S. It is a high line canal. It was not designed to go through an urban area but was designed to go through an agricultural area. That is one of the problems we have that when you have urbanization in an agrarian society. We see it a little bit in this community but the difference is that there is a tendency when you have a situation like the breach to overreact. In some respects they have overreacted to all high line canals but the difference in our community is the controllability of the water. TCID is able, if there is a breach here, to control the water very quickly but in a 31 mile canal like the Truckee Canal, that is very difficult.

Civil Deputy District Attorney Jardine said Mr. Schank has talked about the long term fix, which is to create a lined canal or some other variation on that theme. No doubt, they have discussed with the folks in Fernley that that has a long-term affect itself. They too rely upon the canal for groundwater recharge. Mr. Schank said that is correct and, in fact, a good share of the people who live there didn't realize that and even some of those who were affected by the flood have realized the importance of the water supply in that aquifer. It has been an educational process. It also emphasizes the fact that the Fernley and Fallon areas are hooked together and we

have to work together to preserve this asset to both communities. It is an economic asset to both communities. CDDA Jardine said that is one of his underlying concerns that he doesn't think there is enough of a knowledge base out there for people to correctly assess a dependence upon the canal for groundwater recharge across that entire area and that is important. Also, the fact is that when we saw the correction made or reparations made to the canal that took a long time. When we are talking about construction of 11.7 miles, we can assume that the canal will be down a long time. He asked if that is true. Mr. Schank said that is a good assumption but something that has at least warmed his heart is that at the public meeting with BOR held two nights ago and another will be held tonight at 6:00 p.m. at Lahontan Elementary School, the outcry of the public will help a whole lot in this. It is important that those who are here and who can get the word out so that others understand the benefit and be there tonight to express their concern at the length of time it takes to do some of these things. This impermeable barrier, at this point, they are not considering anything that would close off the groundwater recharge. It would simply be a wall or curtain down the middle of the bank on the north side so it would not be a lining or piping of the canal but would simply put a barrier to prevent erosion from rodents.

Nona McFarlane asked if she is correct that action could be taken today. Chairperson Washburn replied that it is not up to this board to take action. Ms. McFarlane asked if we were to go back to this assessment does it have to go to a vote by the people. Chairperson Washburn said this is TCID's project and we are just hearing today why they are doing this. Ms. McFarlane said she is concerned that something that affects everybody yet very few people are even aware that this was on the Agenda today. She appreciates that a meeting will be held tonight. Her other concern is that we don't even know what is considered within the district. She doesn't know if she is within the district. There are many people who own desert ground that is not irrigated. She thinks it is important that we have water here also but she also knows that if she is within the district, it is approximately \$600 more per year that she will be paying, yet she reaps no benefit back from it because she has no farm land that she makes an income off of. Further, is this money strictly for that canal or will it be used to improve other canals within Churchill County. Mr. Schank replied that at this point it would be dedicated completely for the Truckee Canal.

Chairperson Washburn said Ms. McFarlane brings up a good question. She heard about this through the grapevine because of her family's involvement with agriculture. How is this word going to get out to the person who owns the City lot or who has a small 1 acre lot because this will impact them also. Mr. Schank said that is a good question. It has been on TCID's Agenda for at least one meeting a month ago. It has been published in all of the newspapers and has been on KOH and KOLO TV carried a broadcast on it so word has gotten out. The matter will be on TCID's Agenda again for May 5th and action will be taken on it and they will have the maps available. Generally speaking, it includes everything within the Lahontan Valley area.

Comptroller Kalt said that the County has a tax override for the Carson Water Subconservancy District, which is the watershed of the Carson River, Basin 101. From Churchill County's perspective, would it be those same groups? Mr. Schank said it may not be exactly the same. The outline of the district is kind of funny and there are some areas with a lot of privately owned desert ground that is not in the district but he doesn't have the map here today to be specific. Comptroller Kalt said that will be critical because the Clerk/Treasurer will need to create another taxing district to identify those parcels that will have that assessment. Mr. Schank said that TCID staff has been in contact with County staff. An overlay was made by Preston Denney and he knows he is working with Diane at TCID on that. Commissioner Frey

said he knows there are difficulties finding those boundaries because, for instance, the County's Wild Goose property is outside of the irrigation district so there will be areas that will have to be determined. His frustration is that in the early 1990s he dealt with BOR and the Pyramid Tribe trying to shut down the Truckee Canal. They were successful in getting that turned around so what frustration they saw in Judge Recanzone's eyes when he came to those negotiations and saw what we were dealing with and this is just another continuation of that in his mind. He finds it very disheartening that the BOR continues to work to create damages for The Newlands Project farmers. The other day we had a wind storm that blew down some power lines in Washoe Valley, which happens, and it created a fire and endangered people but there is no outcry to shut down the power until we come up with a plan to control wood rot on power poles or wind. Yet, they have no problem creating damages for us. We are going to see damages this year. The damages will be very high next year with the lack of carry over storage. The farmers in Fernley are suffering damages today. The federal government built this project, the uses changed, the uses around it have changed, and houses have been built in fields that were designed to flood by nature of being irrigated farm land. He finds the actions taken by the BOR and the lawyers reprehensible. It is very frustrating to watch this happen. He feels for those who were flooded but there was a lack of planning on those who designed the subdivisions, those who approved the design of the subdivisions and the people who are making the money off of those subdivisions and they are the ones who should pay for this and not us. Mr. Schank said he thinks this has awakened the Fernley planners and it should awaken the planners here. It doesn't mean that we can't have development but we need to look at these things seriously and make sure that we do not do away with the drainage system that was designed to take care of these problems. He doesn't want to go away leaving the impression that the BOR folks are bad people because they are not. He worked for 10 years as President of the TCID board to make a better relationship between the two. He thinks they are where they are today, as frustrated as we are in this process, and the canal is on today because that relationship has been improved. There are a lot of good people with BOR. With the laws and attorneys today, in some respects their hands are tied too. He is lenient with them because he does have some praise and appreciation for their help. Commissioner Frey said it seems strange that the people they were dealing with in the 1990s that wanted to shut the canal down are the same people that want to reduce our water that we bring to our community and which is vital to our community.

Comptroller Kalt said the data provided from the Assessor's Office was all of those parcels in the Carson watershed so it may be overstated if it does not include the parcels that Commissioner Frey is talking about. Mr. Schank said they are aware of that.

Commissioner Pearce commented that the larger the political entity the more likely they are to succumb to knee jerk reaction unfortunately. It is like cattle, the more you get the more likely you are to have a stampede and, unfortunately, that is what we have seen with the canal. He said he is playing devil's advocate even though he is supportive of this assessment because he thinks they need the money, the most difficult part of this will be whether or not the safety committee meets the definition of NRS 539.840 or whatever it was. Somehow he has the feeling that this will end up in court somewhere unfortunately. Does this safety committee actually meet the requirements written in the Nevada Revised Statutes and he asked Civil Deputy District Attorney Jardine to weigh in on this. CDDA Jardine said he hesitates to give a formal legal opinion in this context but it is something that they considered. He is right that maybe at some point it might be subject to a challenge. Of course, that may happen at some point in the future before a judge. He can't tell how that might go and we can only look at it again to make sure

that it satisfies the spirit and letter of the law borne by this statute and he believes it does at this time.

Consideration and possible action re: School Bus Lease Renewal with the Churchill County School District for the SUMFUN Program at Churchill County Parks and Recreation, Jorge Guerrero, Director of Parks and Recreation.

This item was removed from the Agenda and will be rescheduled at a future meeting.

Letters Received:

The Stillwater Firearms Association urges review of the Nevada Wilderness Project and Nevadans opposition as delineated by the Coalition for Public Access.

The Stillwater Firearms Association urges review of the Nevada Wilderness Project and Nevadans opposition as delineated by the Coalition for Public Access (www.cfpa-nv.org/home.htm). The Stillwater Firearms Association believes this project is not appropriate and that our own Churchill County lands could be targeted in the future. Our lands must be preserved and managed for multiple uses. The SFA asks that Churchill County support our neighboring counties by corresponding with Senators Ensign and Reid and Representative Dean Heller strongly opposing the NWP.

Chairperson Washburn commented that Letters Received Item #A and #B are dealing with the same thing so she asked if the board can handle those as one item. CDDA Jardine said that would be appropriate. She thanked the commission secretary for the research that accompanied the Agenda in their packet as she couldn't remember what action this board had taken previously on these issues. It appears that the board has skirted all the way around this except actually opposing this project. This is really causing a stir in our neighboring counties. Fortunately, they haven't come to Churchill County yet but she believes that they will if they successful with our neighbors. Her personal opinion is to oppose this now.

Commissioner Pearce agreed because there is safety in numbers. If they are successful in one county, they will become emboldened and look at other counties. He finds it interesting that this is being promoted by an organization that isn't Nevadans purporting to want to protect Nevada.

Commissioner Frey said a lot of this is driven by things such as public lands bills that we have seen that started out with the Southern Nevada Public Lands Management Act. The information he has received since then is that every county, except for Lincoln County, that had a public lands bill grew to regret it because they took away so much land for wilderness and a lot of it was taken over by people who were out of state and out of the area people. We need to come out not only against the Nevada Wilderness Project but also in opposition of public lands bills. He would like to see us do this by Resolution or some other instrument making the direct statement that we oppose a public lands bill because it will bring additional wilderness area to our community and that if there is ever consideration that it must come before the Churchill County Commission in the form of a hearing in order to approve the start of any public lands bill. We need to get that set in stone so that future County Commissioners can't lightly turn a corner. We can set some direction early on. He personally totally opposes it. Mineral County wants a public lands bill and they have a problem with water levels in Walker Lake so the powers to be go forward and make that same public lands bill applicable to Lyon County and are jamming it down their throats. He finds that to be an abuse of power on the part of people that want to control everything within our state without the people having a say in it.

Chairperson Washburn agreed with Commissioner Frey's recommendation that the board make a stronger stance than the recommended board action and suggested that it be placed on the

next Agenda to do a Resolution and send it on to our congressional delegation. Commissioner Frey said today's proposed action is a start but his point is that very soon we need to take a stronger stance on the issue of additional wilderness areas and we should have the first say on all of our resources not just land issues but all issues that affect the growth and development in our community should go before the people in some sort of a public forum. Commissioner Pearce said it is pretty easy to agree with both of his fellow commissioners. CDDA Jardine said he will pursue the task of drafting a proposed Resolution.

Commissioner Frey made a motion to approve the issuance of a letter to our Congressional Representatives strongly opposing the Nevada Wilderness Project and to set for future action a resolution delineating our stance on federal control of our assets or resources within Churchill County.

Commissioner Pearce seconded the motion, which carried by unanimous vote.

Letter from Jeffrey A. Johnson concerning the Nevada Wilderness Project and urging the Churchill County Commission to oppose any such efforts in Churchill County that could occur in the future.

A letter from Jeffrey A. Johnson was received concerning the Nevada Wilderness Project and urging the Churchill County Commission to oppose any such efforts in Churchill County that could occur in the future. Please see discussion and action listed above.

Old Business: None.

New Business:

Consideration and possible action: Request Transfer of Funds to the County Road Department as approved by the Regional Transportation Commission.

Road Supervisor Lingenfelter reported that at the regular Regional Transportation meeting the Board approved the following transfers, subject to available funding:

1. Transfer of funds to the County Road Department in the amount of \$71,740.36 from Public Transit Funds and \$71,740.35 from Regional Transportation Funds for first and final payment on the St. Clair Bridge Project.
2. Transfer of funds to the County Road Department in the amount of \$168,098.46 from Regional Transportation Funds for first and final payment on the St. Clair Road Paving Project.

Commissioner Pearce made a motion to approve the transfers as approved by the Regional Transportation Commission, subject to available funding as recommended by the Comptroller. Commissioner Frey seconded the motion, which carried by unanimous vote.

Consideration and possible action re: Fallon Farmer's Market Grant Request.

Comptroller Kalt reported that as the letter indicates, the Fallon Farmer's Market is requesting \$3,500 as community support for the 2008 season. The market will run from June 10 to August 26th. The County has historically supported the Farmer's Market in the amount of \$3,500. Other levels are available, including \$1,500 "Everything Under the Sun Sponsor", \$1,000 Bushel of Berries Sponsor, \$500 Cherry Pie Sponsor and so forth as set forth in the enclosed materials. Any funding approved by the Commissioners would be from the Community Support budget. We have appropriated nearly the entire budgeted amount. Due to budget shortfalls, it would make sense to look at the level of funding that we may afford at this time.

Commissioner Pearce said we have been dipping pretty deep into this fund and with 2 months left to go, traditionally what other requests might we expect before the end of the year and what resources are left? Comptroller Kalt replied that the well is dry but we can transfer funds from other places. He believes that the Gradnite hasn't come forward and there are a couple of smaller ones that may come forward. We could make it work from the savings from other departments but we need to realize that we are in a bad financial situation.

Commissioner Pearce suggested that a letter be sent with the payment outlining why we dropped support so that they understand that there is reduced funding across the board for all events due to our budget constraints. Chairperson Washburn said that this sponsorship includes free space at all markets and asked if we use that free space. At the LVEA meeting, their board determined that they will have to cut their representation and that goes back to the mobile museum that LVEA sponsors to go to only half of the markets because they couldn't afford the space rent of \$500 per market. Commissioner Pearce said he likes that idea of making use of our space for those entities, especially TCID and the mobile museum because they will need all of the support they can get for the assessment issue. This is a great venue to reach people. Chairperson Washburn said that is what she is thinking that we could make use by giving that space to them because the mobile museum is going to be revamped some to include the economic impact that the Truckee Canal brings to this community in dollars of agricultural product and the aquifer recharge etc. She thinks it is more important than ever to get that word out but then because of budget constraints, if we can trade our free space so that museum can be at every market it would be a good trade. Commissioner Frey said there could be utilization by all kinds entities that are County related like the Mosquito Abatement District, Library and Senior Center so perhaps we could coordinate with all of them. Chairperson Washburn said if we pay the sponsorship, we should use the space.

Commissioner Frey made a motion to approve a grant award of \$1,500 as community support for Fallon Farmer's Market for the Farmer Markets to be held on Tuesday from June 10 to August 26th and authorize the Comptroller to make the payment and draft a letter indicating why sponsorship was dropped and indicating that we want our free space to be utilized and coordinate how that is used. Commissioner Pearce seconded the motion, which carried by unanimous vote.

Consideration and possible action re: Proposal to provide GIS Support for the Yucca Mountain Project for Churchill County, Nevada.

Comptroller Kalt reported that as the proposal indicated, Churchill County's Yucca Mountain Project Office coordinated by Rex Massey is requesting approval for a professional services contract with Gnomon, Inc. to provide GIS Support for our local project office. The tasks include GIS technical support in our planning efforts, catalog of all information and products, demonstrate the web-based application, the Web Map Room that can be used by anyone designated by the county to view GIS shape files created by the County, as well as georeferenced data provided by Gnomon, and other tasks. The other tasks will be performed on a work order basis and not start until approved by the County. This project is grant funded and no general fund resources will be used. The proposed contract is in an amount not to exceed \$65,000 for the period of April 1, 2008 to March 31, 2009. There is money in our Yucca Mountain Grant fund to pay for these professional services and it was included in our Project Work Plan.

Commissioner Pearce made a motion to approve the proposal from Gnomon, Inc. in an amount not to exceed \$65,000 to provide GIS Support for Churchill County related to the Yucca Mountain project with funding from our oversight grant. Commissioner Frey seconded the motion, which carried by unanimous vote.

Consideration and possible action re: Fiscal policy for distribution of Enel Geothermal Sales and Use Tax Abatement Payments.

Comptroller Kalt reported that as the policy indicates, Churchill County and Enel Geothermal, LLC entered into an agreement in connection with the approved sales and use tax abatement by the Nevada Commission on Economic Development. Enel will make quarterly payments to the County. The quarterly payments are scheduled for a ten year period of time. The Comptroller's Office has developed a draft policy for the board's consideration. It is recommended that the first 6 quarterly payments be allocated to the Fire Department. The joint venture between the City of Fallon and Churchill County to support the Fallon Churchill Volunteer Fire Department (FCVFD) has been successful over the years. The department has earned the distinguished ISO 1 rating. In an effort to maintain this rating and improve the fire fighting capabilities, the Fire Department has developed an equipment replacement program. It is the intent to apportion the first \$263,790 collected from the agreement to the FCVFD to support their equipment replacement program. This would provide funding to purchase a major piece of equipment for the department.

The County recently received the first quarterly payment of \$43,965.00 on April 16, 2008. An annualized amount projected to be collected in this fiscal year is \$87,930 and \$175,860 in Fiscal Year 2009. This policy sets forth a method of apportioning the funds for FY 2008 and 2009. Subsequent year's apportionments will be brought before the Commissioners for future consideration.

Commissioner Pearce said the Fire Department is pricing out a large tender water truck that would provide water for the large pump trucks in areas outside of municipal water systems so this money will cover the purchase of that tender. They have been working very hard to come up with as much as they can for as little as possible. This is the piece of equipment that they would like to purchase with that money and it will go a long way with helping with the ISO rating because of the availability of an additional tender.

Chairperson Washburn said this a good use of that money and it provides safety for the County and the City feels they are getting some benefit from the geothermal development.

Commissioner Frey thanked Enel North America for negotiating with us on this. We raised some eyebrows at the Nevada Commission on Economic Development and had the Lt. Governor wondering what we were doing but when we utilize the funds for projects like this, it shows we value their support and we deserve to collect some of the taxes from these expansions and projects that go on. Both Ormat and Enel have been very understanding of our position on this and it shows the benefits that the geothermal industry can bring to our community when we work together.

Commissioner Frey made a motion to fiscal plan for the distribution of the Enel Geothermal LLC sales and use tax abatement payments to the Fallon-Churchill Volunteer Fire Department for the purchase of fire equipment for the fiscal year 2008 and 2009. Commissioner Pearce seconded the motion, which carried by unanimous vote.

Consideration and possible action re: A Resolution No. 11-08 Requesting the presence of the Attorney General in Fallon Police Department Case No. 8-00695 and providing for all other matters properly related thereto.

TITLE: A RESOLUTION REQUESTING PRESENCE OF ATTORNEY GENERAL IN FALLON POLICE DEPARTMENT CASE NO. 8-00695 AND PROVIDING FOR ALL OTHER MATTERS PROPERLY RELATED THERETO.

SUMMARY: NRS 228.130 PROVIDES FOR CIRCUMSTANCES WHEREIN THE DISTRICT ATTORNEY MAY REQUEST THE PRESENCE OF THE ATTORNEY GENERAL IN A CRIMINAL MATTER. IN SUCH A MATTER, THE BOARD OF COUNTY COMMISSIONERS IS REQUIRED TO ADOPT A RESOLUTION JOINING IN THE REQUEST TO THE ATTORNEY GENERAL. THIS RESOLUTION PROVIDES FOR SUCH REQUEST AND FURTHER PROVIDES FOR ALL MATTERS PROPERLY RELATED THERETO.

Civil Deputy District Attorney Jardine reported that the District Attorney is requesting that the Attorney General assume prosecutorial duties associated with Case No. 8-00695 and requests that the County Commissioners join in that request. Such request is made owing to a conflict of interest had by the District Attorney in the matter. The fiscal impact is undetermined expenses for costs incurred by the Attorney General or his deputy or investigator related to travel and will be paid from the general fund.

Commissioner Pearce made a motion to approve Resolution No. 11-08, for requesting the presence of the Attorney General in Fallon Police Department Case No. 8-00695. Commissioner Frey seconded the motion, which carried by unanimous vote.

Consideration and Possible Action re: Notification of increase in Petty Cash Account at the Parks & Recreation Department.

Comptroller Kalt reported that as the Petty Cash Account Change Request form indicates, the Parks & Recreation Department seeks to increase their petty cash from \$50 to \$100. The increase is needed to allow staff to buy pizzas for pool parties as the delivery drivers can no longer accept a county credit card for purchases. The request has been approved by the appropriate people. This is a notification to the board in accordance with our internal control policies. The increase will not materially affect our interest income. It will allow for a more efficient operation of the catered pool birthday parties that are promoted by the Pool staff.

Commissioner Frey made a motion to approve the increase in Petty Cash for the Parks and Recreation Department from \$50 to \$100. Commissioner Pearce seconded the motion, which carried by unanimous vote.

CONSENT ITEMS (Action items generally not requiring discussion or explanation)

All matters listed under the Consent Agenda are considered routine and may be acted upon by the Board of County Commissioners with one action and without an extensive hearing. Any member of the Board or any citizen may request that an item be taken from the Consent Agenda, discussed and acted upon separately during this meeting.

1. INFORMATIONAL ITEMS –

- A. Return of List of Delinquent Taxes and Statement of Remaining Uncollected Taxes to County Auditor; Request to Strike off Uncollected Taxes

Commencing with Fiscal Year 2005-2006 Through 2006-2007 and 2007-2008.

- B. Second Quarter Progress Report on the Newlands Groundwater Data Collection.
 - C. Second Quarter Progress Report for the Upper Carson River Basin.
 - D. Invitation from the Nevada United States Bowling Congress Women's Bowling Association Annual Meeting to be held Saturday, May 17, 2008 at 9:00 a.m. at the Fallon Convention Center.
 - E. Churchill County Social Services provides the Nevada Association of Counties (NACO) Prescription Drug Discount Card Program Update as of March 2008.
 - F. The Lahontan Auto Racing Association (LARA) writes concerning its rebuilding and renovating process for the concession stand and restroom facilities at Rattlesnake Raceway.
 - G. The Nevada Department of Public Safety informs Churchill County of the 1122 General Services Administration (GSA) Purchasing Program for State and Local Governments.
 - H. The Nevada Division of Environmental Protection (NDEP) provides its Notice of Workshop to Solicit Comments on the Proposed Regulations to the Nevada Administrative Code concerning air pollution.
 - I. The Nevada Department of Taxation provides the Agenda of May 5, 2008 for the Nevada Tax Commission to be held in Carson City, Nevada.
2. **REVIEW –**
- A. Notification from the Churchill County Social Service of an indigent medical application from Renown Regional Medical Center under Client #10718. Determination will be made within 30 days of receipt pursuant to Chapter 428 of Nevada Revised Statutes.
3. **COMMITTEE AND DEPARTMENTAL REPORTS – None.**
- Commissioner Pearce made a motion to approve the Consent Agenda as submitted. Commissioner Frey seconded the motion, which carried by unanimous vote.**

CONSIDER FUTURE AGENDA ITEMS – The Resolution concerning wilderness areas.

COMMISSIONER REPORTS:

CHAIRPERSON WASHBURN: Chairperson Washburn said she attended the LVEA board meeting and gave part of her report prior to this. There are 3 county seats expired on the LVEA board as of April 1st, which was her seat and 2 others. One of those people whose term expired said he would like to be replaced. She asked the commission secretary to advertise for those 3 positions. Sand Mountain users are not too happy about some of the markers that were put up when the trail was marked so they are having another meeting with BLM to sort out those issues. The CWSD watershed tour will be held June 26 and 27th and she believes the cost will be \$75 per person for the 2 days. The itinerary was on CWSD's Agenda in April and there were some suggested changes for the Churchill County portion so the final itinerary will be approved on May 21st and then it will go out to the public. Jim Johnson gave the audit report at the CEDA board meeting. The audit was fine with no findings, which was good considering the turmoil and moving and everything, other than a few records weren't where they belonged but they did locate them. Jim was very concerned about the significance of the new audit rules that we have

discussed previously and what that will do to small organizations such as CEDA, LVEA and other organizations. His group no longer feels that they can do the audits for less than \$10,000 so that eats up such a huge portion of the budgets that he is urging every member of those boards and us as a County to look into ways to work with the state on what we can do. She doesn't know whether this will have to be a legislative action but NACO can look at this because no entity will be able to afford the audits.

COMMISSIONER PEARCE: Commissioner Pearce said the Hospital Board meeting was the first official meeting with new administrator, Rex Walk. While he had been a Banner employee for some time, he had actually been in Banner training so he had been on the job for 23 hours at that point and already they have implemented some changes in the ER routing of patients and streamlining the process through the ER to reduce the amount of wait time from the time you enter to the time you receive care. It is working pretty good so far and is modeled after a policy implemented in a large metro facility in the Phoenix area. That was a good board meeting. At the Museum Board meeting, they are looking to work on activities for the upcoming year, including the activities that will be tied to the Centennial Celebrations and printing of the new In Focus book that will be coming out. They have some great activities planned and they continue to move ahead and make progress with the bathrooms. He attended the POOL/PACT Annual meeting in Reno so he won't go into great detail as Comptroller Kalt was there and he'll provide a future report. He attended the CC Communications employee appreciation dinner, which had a good turnout and was a great dinner. The mood of the crowd was the best he has seen in years. He participated in the dedication ceremony for the shade structure at Parks and Recreation. What an improvement that is and it is very beautiful.

COMMISSIONER FREY: Commissioner Frey wanted to thank the Hutchings and Chisholm families for that shade structure and he thanked Commissioner Pearce for attending that ceremony. He suggested that we write a letter to NACO regarding our concerns about the audit requirements. If there are some state law changes or a BDR that is necessary it could be thrown into the mix. If the board remembers any other BDRs that would benefit multiple counties, they need to get any those in to NACO as they are collecting that information now. He wished our missing member, Brad Goetsch, a quick recovery from his accident. On the 21st he worked with the Sheriff and Planning on some animal control issues. He attended the flood plane management workshop, which was interesting and informative. There is a lot that can be done in managing flood planes and there is no time like the present to start. At Navy League, Gary Wick gave a very interesting talk about the renewable energy in Nevada. He participated in the Child Abuse Prevention Pinwheel Ceremony at the old courthouse. He attended the Library board meeting and the Governor's Ball that preceded the Republican Convention. He also attended the State Republican Convention, which was nothing to be proud of.

COUNTY MANAGER GOETSCH: County Manager Goetsch was not present.

COMPTROLLER KALT: Comptroller Kalt passed out a written update. The budget has been submitted and they are reviewing it and will get back to us on their compliance check. We have distributed the budget to the departments. We will have our tax rate hearing on May 19th at 5:30. Regarding the proposed tax rate, with the assumption that the School District stays with their 55 cents on their debt service rate, Social Services and indigent medical for the long term care would pick up two cents each and the Public Library will get one cent to assist their operations. Taxable sales for the month ending February in the aggregate are down in collections on the consolidated tax by 9.2% compared to the prior year. There is nearly \$400,000 less revenue coming into the County. We project for the entire fiscal year that we will have a shortfall of

\$725,000 and we have made arrangements for that in our budget mitigation plan. Taxable sales for the period were down 6.4%. February was the first month that the Wal-Mart in Fernley was opened. General merchandise classification in Churchill County was flat compared to a year ago but he reminds the board that this year was a leap year so we had one additional shopping day in February, 2008. Under the risk assessment progress update, he is leading an effort with the rural comptrollers to comply with the new auditing standards. It is a double-edged sword. CEDA and LVEA must comply with this standard, which focuses on proper internal controls. Without proper internal controls, the likelihood of a material financial misstatement, fraud, waste and abuse are increased. To eliminate them from having to do that is almost counter-intuitive to the professional standards of making sure that we have quality financial systems in place. The issue that could be raised legislatively in his mind, and he will meet with Jim Johnson about this, is the level at which money flows through an entity that is required to have an audit. The state statutes (NRS 354) address who is subject to an audit and perhaps raising that threshold dollar amount would be appropriate. He doesn't think that by statute that LVEA is required to have an audit because they are probably under \$100,000 in revenue but CEDA is higher so we can look at that. That would go to the Committee on Local Government Finance. Right now they are working on 2 proposed regulations; one deals with debt service and the other with OPEB liability or other post-employment benefit obligations. He serves on the debt service subcommittee and they are changing some regulations to allow a more practical implementation of the rollover bonds and how much money you can have in your debt service fund as a reserve for the next year's payment. If your ending fund balance is more than one year's worth of principal and interest, you automatically have to lower the rate. They are trying to provide a couple of exceptions to that on a one time basis for unique circumstances. That will go to hearing on June 4th and there is some good proposed language there. The bond counsel, LCB and Clark County are on board with that. The second proposed regulation deals with our OPEB liability allowing the establishment of trust funds and once that is established we can invest those monies with PERS securities for an 8% return. We are limited in what local governments can invest in and our rate of return is likely to be half of that. There is a provision that allows for pooling of trust funds for governance purposes. There are over 150 agencies involved so if each of them are required to have a formal qualified trust and the provisions within that regulation require that they have a CPA on their board of directors and it is a 5 member board, the technical requirements to find those in Goldfield, Nevada might be difficult. Enabling those folks to come together under a pool does make a lot of sense. As Commissioner Pearce said, he will have a Power Point presentation at the next meeting regarding the POOL/PACT annual meeting. The bottom line is that our rates will basically remain flat. Where we will see an increase here in Churchill County is because we brought on our water and sewer plants and that infrastructure, which is valued at nearly \$20M so that increases our exposure. Our rates will go up but it is because we have more coverage and more exposures. The captives are doing well and the POOL had great financial strength in the last year. He is working with USDA concerning our submittal in January for reimbursements on water and wastewater. In their overview, they wanted to give us 30 days to complete out the grant but we are going to write a letter asking for an extension and seek the Chair's signature on that. There are still a couple of things to complete: hooking up the trailer park, finish the Bottom Road extension and connect the Golf Course to the force main on Rice Road to the Moody Lane plant and those things can't be done within the next 30 days. He applauded the insurance advisory committee's work on health and accident insurance. He has developed 5 scenarios on the allocation between the County and the phone company for review.

He will be sharing those with Robert Adams when we get more information from our broker. We want to come up with something that will be long term that basically as Frank Guisti taught him a long time ago -- claims are the claims are the claims and your cost should be based on your claims. That makes sense for us to allocate cost based on paid loss ratios and that is what he will be advocating. Staff has a meeting scheduled tomorrow with the Dispatcher's unit and hopefully they can wrap up the labor agreement and get it ratified and brought before the board at the next meeting. Regarding the Bickmore services on the OPEB liability report, they are working on finalizing the report and have issued 2 for Nevada entities. We have some issues because we have implicit subsidy and direct subsidy to the state. That is going to be a huge liability and will probably be where we will drop some of our geothermal money into. Currently we are paying \$175,000 on an unfunded mandate from the state for retirees that transferred over to the state health program. We are seeing now that many retirees who are on the County plan are jumping ship, plus we will have a group of firemen who will be retiring before September and they are going to the state plan and that number will increase. As mentioned earlier, we will end up setting up a trust fund and place money in an investment at PERS but our liability will be significant. Our computer system is near capacity. We haven't hit the submit button to order new machine but ADS is finalizing the specifications. Since the last time that the board approved that we move forward with this item, IMB rolled out the latest model, which is 3 times faster and cheaper than what we were originally looking at buying so we will buy the new model rather than being one of the last people to buy the old model. That will work out well. There was a lot of hard work by the computer steering committee to make that possible.

DISTRICT ATTORNEY JARDINE: Civil Deputy District Attorney Jardine said he participated in an emergency management table top exercise with Mert Mickelson and the attorneys general for 3 states (Utah, Idaho and Nevada). With that in mind and what the board has previously asked, he will join Mert and put themselves on the Agenda to make another Power Point presentation to talk about things such as continuity in government during bad times, a catastrophe or emergency, and the limitations on liability and other applicable rules that may rise in connection with such and then we will take a look at the practical implications and what we would do next in an emergency situation. They will try to make this presentation in about 20 minutes.

CLERK/TREASURER HELTON: Clerk/Treasurer Helton said one of her hats is that she is the Clerk of District Court. For the past month, about 98% of her time has been spent at District Court. She has been assisting the 3 clerks over there amending procedures and assisting with development of new procedures. With the last tour by the board, they were able to see that the space over there is horrible. She has been working with them moving files. The caseload hasn't diminished and the space hasn't increased whatsoever. They have moved approximately 30 boxes to storage on the top floor. She has been working with other entities (Carson City has been wonderful to work with) concerning the establishment of an evidence vault. She may be coming to the board at a later date with more information on that. She now has an office over there now and has an email address there so if her car isn't outside the Administrative Complex, she is likely over at District Court. On Monday, with another of her hats, starts declaration of candidacy, which runs for 2 weeks. The tax year is wrapping up and they will be publishing the list of delinquent taxes in the newspaper toward the middle of the month. They will then start to generate new tax bills. She has been in contact with TCID very minimally. That will be a huge project and we are not quite sure how to do it but it will be done if approved by the TCID board to put that \$1.50 on the tax bill. She had been approached by ADS several months ago. The

program that TCID uses for us to put their assessments on our tax bill is very old. Every year we run into problems and every year it takes 2 weeks to do what we could do in one day. ADS said that it would only cost \$8,000 to upgrade their system to get it online but she explained that we are in budget cuts and didn't have \$8,000. Lyon County is willing to pay \$4,000 of the cost but, again, she explained that we are in budget cuts and do not have the money. She hasn't talked to TCID about it but with this additional project, she doesn't know if our existing program will be able to handle that. She will have to talk to ADS to determine how to do this. It may take a lot of time on ADS' side and who pays for that? She suggested that TCID should pay for that but she doesn't know.

CLAIMS AND PAYROLL TRANSMITTALS

The claims and payroll transmittals submitted for this meeting were reviewed and approved.

There being no further business to come before the Board, the meeting was adjourned at 10:38 a.m.

APPROVED: _____
Gwen Washburn, Chair

ATTEST:

Kelly G. Helton, Clerk of the Board